



Ninety-Eighth Legislature - Second Session - 2004
Committee Statement
LB 920

Hearing Date: February 9, 2004

Committee On: Banking, Commerce and Insurance

Introducer(s): (Combs, Byars, Kruse, Dw. Pedersen, Price, Schimek, Schrock, Stuhr, Synowiecki, Thompson)

Title: Change provisions relating to insurance coverage for mental health conditions

Roll Call Vote – Final Committee Action:

Advanced to General File

Advanced to General File with Amendments

X Indefinitely Postponed

Vote Results:

| | | |
|---|---------------------|--|
| 5 | Yes | Senators Quandahl, Tyson, Foley, Mines, Redfield |
| 2 | No | Senators Jensen, Loudon |
| 1 | Present, not voting | Senator Johnson |
| | Absent | |

Proponents:

Senator Jeanne Combs
John O'Neal
Chuck Stepanek
Constance Zimmer
Lana Erickson

Lynne Anderson

Representing:

Introducer
NE Advocacy Services, Inc.
NE Nurses Association
Self
NE Planning Council on Development
Disabilities
Self

Opponents:

Ron Sedlacek
Tom Jenkins
Galen Ullstrom
Janis McKenzie
Joe Roberts

Representing:

NE Chamber of Commerce & Industry
Blue Cross/Blue Shield of NE
Mutual of Omaha
NE Insurance Federation
National Assn. of Health Underwriters
National Assn. of Insurance & Financial Advisors
Golden Rule Insurance Co.

Bill Peters

Neutral:

Representing:

Summary of purpose and/or changes:

OVERVIEW

LB 920 (Combs, Byars, Kruse et al) would amend provisions throughout sections 44-791 to 44-795 (LB 355 of 1999) to change requirements for health insurance plans regarding coverage for mental health conditions.

SUMMARY

Section 1 would amend section 44-791, which provides legislative findings and intent. The bill would amend this section to find that, among other things, there is a “disparate level” rather than a “lack” of insurance coverage for mental health conditions, and to state intent that persons with health insurance plans be provided with a “nondiscriminatory” rather than a “minimum” level of coverage for mental health conditions.

Section 2 would amend section 44-792 which provides definitions.

This section would amend the definition of “health insurance plan” so that it would mean an individual as well as a group plan, and so that the act would apply to all employer groups and not just those with fifteen or more employees.

This section would amend the definition of “mental health condition” so that it would mean any condition or disorder that falls under any of the diagnostic categories listed in the “Diagnostic and Statistical Manual of” Mental Disorders “as periodically revised.”

This section would amend the definition of “mental health professional” so that it would also include an “advanced practice registered nurse.”

This section would amend the definition of “rate, term, or condition” so that it would include “medication management, and other financial components or treatment limits” and so that it would no longer exclude “deductibles, copayments, or coinsurance.”

This section would eliminate the definition of “serious mental illness.”

Section 3 would amend section 44-793 to provide that a health insurance plan shall not utilize any rate, term, or condition that places a greater financial burden on an insured for access to “evaluation” as well as treatment for a mental health condition than for access to “evaluation” as well as treatment for a physical health condition. This section would repeal language which provides that if a health insurance plan provides coverage for treatment of mental health conditions, it must then provide coverage for treatment of serious mental illness. This section would provide that if a health insurance plan provides coverage for mental health conditions, the health insurance plan shall cover health care rendered for treatment of mental health conditions by, among others, a physician assistant, and an alcohol, drug abuse, or compulsive gambling counselor. This section would provide that the coverage requirements of this section shall also apply to the spouse and dependents of the insured if otherwise covered under the health insurance plan.

Section 4 would amend section 44-794 to repeal language which provides that a health insurance plan does not violate the act if it applies different rates, terms, and conditions or

excludes coverage entirely for experimental treatments. This section would repeal language which provides that a health insurance plan is not required to offer nonemergency services outside its network.

Section 5 would enact a new section to authorize the Director of Insurance to fine or revoke the license or certificate of authority of an insurer for any willful violation of the act.

Section 6 would enact a new section to require the Director of Insurance to submit an annual report to the Legislature and the Governor regarding the state of mental and physical health insurance coverage in the state.

The bill provides that it would become operative on January 1, 2004.

Explanation of amendments, if any:

Senator Mark Quandahl, Chairperson